



U. S. Department of Housing and Urban Development
Washington, D.C. 20410

OFFICE OF LEAD HAZARD CONTROL

POLICY GUIDANCE NUMBER: 94-03		DATE: March 22, 1994	
SUBJECT:		Payment of Temporary Relocation Expenses	
STATUS:		Current	
APPLICABILITY:		All grant rounds.	
RELATED GUIDANCES:		Policy guidance 93-02.	
COMMENTS:			

[letter to Mr. William Otto, Project Director, State of Wisconsin]

Dear Mr. Otto:

I am writing this letter to clarify Departmental policy and requirements regarding the payment of temporary relocation expenses for a tenant whose unit is undergoing abatement or hazard reduction for a HUD-assisted project.

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and implementing regulations at 49 CFR Part 24 do not directly address the issue of the temporary relocation of persons who will not be displaced (forced to move permanently). The URA defines a "displaced person" as any person who is required to move from the real property as a result of acquisition, rehabilitation, or demolition for a federally assisted project.

To prevent a person who is forced to move temporarily but not permanently from successfully claiming relocation assistance as a "displaced person", the URA regulation at 49 CFR 24.2(g)(2)(iv) permit a Federal agency to establish guidelines under which such activity may take place without triggering URA eligibility as a "displaced person" even if the person elects to move permanently.

Under HUD guidelines (Paragraph 1-8b of HUD Handbook 1378), each tenant occupying a unit undergoing treatment must be provided with a written

notice (a "notice of nondisplacement") informing the tenant that he/she will not be displaced, and, if required to relocate temporarily, will be offered the opportunity to occupy decent, safe, and sanitary housing for the temporary period and be reimbursed for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporary unit, and any increased housing costs during the temporary relocation.

Reimbursement for utility and telephone hookups is also required. Failure to make such payments or the imposition of any other unreasonable conditions would result in the tenant qualifying as a "displaced person" if the tenant elected not to return to the property.

This policy does not preclude tenants from making an informed waiver of their rights or agreeing to cost-saving measures (e.g., moving in with relatives). Owner-occupants participating voluntarily are not entitled to reimbursement for temporary relocation expenses (although such expenses may be an eligible project cost at the discretion of the grantee); and they should be so notified in advance to preclude any misunderstanding.

As part of their application, all grantees have certified compliance with the URA, 49 CFR Part 24 and HUD Handbook 1378. It is critical that these requirements be carefully followed in order to reduce disruption and hardship to affected occupants and to preclude windfall relocation payments.

To sum up, all occupants must be informed in writing that they will not be displaced by the project. Renter-occupants must be reimbursed for temporary relocation expenses. Owner-occupants are not required to be reimbursed for temporary relocation costs although the grantee has the discretion to provide such reimbursement as a matter of local policy.

Thank you for your cooperation. Any questions on this matter should be referred to the CPD Relocation Specialist in the HUD Field Office that administers the URA for HUD Programs in your jurisdiction.

Sincerely,

A handwritten signature in black ink, appearing to read "Ellis Goldman", with a long horizontal flourish extending to the left.

Ellis G. Goldman
Director, Program Management Division